

**§ 136-66.3. Local government participation in improvements to the State transportation system.**

(a) **Municipal Participation Authorized.** – A municipality may, but is not required to, participate in the right-of-way and construction cost of a State transportation improvement approved by the Board of Transportation under G.S. 143B-350(f)(4) that is located in the municipality or its extraterritorial jurisdiction.

(b) **Process for Initiating Participation.** – A municipality interested in participating in the funding of a State highway improvement project may submit a proposal to the Department of Transportation. The Department and the municipality shall include their respective responsibilities for a proposed municipal participation project in any agreement reached concerning participation.

(c) **Type of Participation Authorized.** – A municipality is authorized and empowered to acquire land by dedication and acceptance, purchase, or eminent domain, and make improvements to portions of the State transportation system lying within or outside the municipal corporate limits utilizing local funds that have been authorized for that purpose. All improvements to State transportation systems shall be done in accordance with the specifications and requirements of the Department of Transportation.

(c1) Repealed by Session Laws 2013-183, s. 4.5, effective July 1, 2013.

(c2) **Distribution of State Funds Made Available by County or Municipal Participation.** – Any State or federal funds allocated to a project that are made available by county or municipal participation in a project contained in the Transportation Improvement Program under G.S. 143B-350(f)(4) shall be subject to G.S. 136-189.11.

(c3) Repealed by Session Laws 2013-183, s. 4.5, effective July 1, 2013.

(c4) **Pedestrian Safety Improvements.** – The Department of Transportation shall accept and use any funding provided by a municipal government for a pedestrian safety improvement project on a State road within the municipality's limits, provided the municipality funds one hundred percent (100%) of the project and the Department of Transportation retains the right to approve the design and oversee the construction, erection, or installation of the pedestrian safety improvement.

(d) **Authorization to Participate in Development-Related Improvements.** – When in the review and approval by a local government of plans for the development of property abutting a State transportation system it is determined by the municipality that improvements to the State highway system are necessary to provide for the safe and orderly movement of traffic, the local government is authorized to construct, or have constructed, said improvements to the State transportation system in vicinity of the development. For purposes of this section, improvements include but are not limited to additional travel lanes, turn lanes, curb and gutter, drainage facilities, and other transportation system improvements. All improvements to a State transportation system shall be constructed in accordance with the specifications and requirements of the Department of Transportation and be approved by the Department of Transportation.

(e) **Authorization to Participate in Project Additions.** – Pursuant to an agreement with the Department of Transportation, a county or municipality shall reimburse the Department of Transportation for the cost of all improvements requested by the county or municipality, including additional rights-of-way, streets, highway improvement projects, or other transportation system improvements approved by the Board of Transportation under G.S. 143B-350(f)(4), that are in addition to those improvements that the Department of Transportation would normally include in the project. Requests for safety enhancements or efforts to facilitate the flow of traffic shall not be considered improvements under this subsection unless the enhancement or effort is in excess of the standard required by law.

(e1) Reimbursement Procedure. – Upon request of the county or municipality, the Department of Transportation shall allow the local government a period of not less than three years from the date construction of a project undertaken under subsection (e) of this section is initiated to reimburse the Department their agreed upon share of the costs necessary for the project. The Department of Transportation shall not charge a local government any interest during the initial three years.

(f) Report to General Assembly. – The Department shall report in writing, on an annual basis, to the Joint Legislative Transportation Oversight Committee on all agreements entered into between counties, municipalities and the Department of Transportation. The report shall state in summary form the contents of the agreements. The information in the report required by this subsection shall be set forth separately for each division of the Department of Transportation.

(g) Local Government Acquisition of Rights-of-Way. – In the acquisition of rights-of-way for any State street, highway, or other transportation project, the county or municipality shall be vested with the same authority to acquire such rights-of-way as is granted to the Department of Transportation in this Chapter. In the acquisition of such rights-of-way, counties and municipalities may use the procedures provided in Article 9 of this Chapter, and wherever the words "Department of Transportation" appear in Article 9 they shall be deemed to include "county," "municipality" or local governing body, and wherever the words "Administrator," "Administrator of Highways," "Administrator of the Department of Transportation," or "Chairman of the Department of Transportation" appear in Article 9 they shall be deemed to include "county or municipal clerk". It is the intention of this subsection that the powers herein granted to municipalities for the purpose of acquiring rights-of-way shall be in addition to and supplementary to those powers granted in any local act or in any other general statute, and in any case in which the provisions of this subsection or Article 9 of this Chapter are in conflict with the provisions of any local act or any other provision of any general statute, then the governing body of the county or municipality may in its discretion proceed in accordance with the provisions of such local act or other general statute, or, as an alternative method of procedure, in accordance with the provisions of this subsection and Article 9 of this Chapter.

(h) Department Authority Concerning Rights-of-Way. – In the absence of an agreement, the Department of Transportation shall retain authority to pay the full cost of acquiring rights-of-way where the proposed project is deemed important to a coordinated State transportation system.

(i) Changes to Local Government Participation Agreement. – Either the local government or the Department of Transportation may at any time propose changes in the agreement setting forth their respective responsibilities by giving notice to the other party, but no change shall be effective until it is adopted by both the municipal governing body and the Department of Transportation.

(j) Local Governments Party to Rights-of-Way Proceeding. – Any municipality that agrees to contribute any part of the cost of acquiring rights-of-way for any State transportation system shall be a proper party in any proceeding in court relating to the acquisition of such rights-of-way.

(k) Repealed by Session Laws 2008-180, s. 6, effective August 4, 2008. (1959, c. 687, s. 3; 1965, c. 867; 1967, c. 1127; 1973, c. 507, s. 5; 1977, c. 464, s. 7.1; 1987, c. 747, s. 3; 1989, c. 595, ss. 2, 3; 1991, c. 21, s. 1; 2000-188, s. 1; 2001-245, s. 2; 2008-180, s. 6; 2009-266, s. 23; 2010-37, s. 1; 2013-183, s. 4.5; 2015-241, ss. 29.5(a), 29.12(f).)